



The City of Auburn Hills

City Council Meeting

Minutes

December 3, 2012

CALL TO ORDER: by Mayor McDonald at 7:00 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel.
Also Present: City Manager Auger, Director Olko, City Clerk Kowal, Assessor Lohmeier, Finance Director Barnes, DPS Director Melchert, Library Director McCoy, City Attorney Beckerleg, City Engineer Katers.
8 Guests

4. APPROVAL OF MINUTES

4a. City Council Workshop – November 12, 2012

Moved by McDaniel; Seconded by Hammond.

RESOLVED: To approve the Workshop minutes of November 12, 2012 as submitted.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.193

4b. City Council Meeting – November 19, 2012

Moved by Doyle; Seconded by Knight.

RESOLVED: To approve the Regular minutes of November 19, 2012 as submitted.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.194

5. APPOINTMENTS and PRESENTATIONS

5a. Appointment – Eric Mendieta to Planning Commission for a term ending July 31, 2015

Mr. Mendieta introduced himself stating he has lived in the City for four years and has noticed how different Auburn Hills is compared to other surrounding communities. He works in the City, banking and finance, and has run into different Council Members and has met many residents of the City. He is interested in the Planning Commission and would like to be part of it.

Mr. Kittle welcomed Mr. Mendieta and thanked him for volunteering to sit on a City Board. Mr. Kittle, referring to Mr. Mendieta's resume, asked what *Press Play* was.

Mr. Mendieta explained it is a company he and his wife own, which she runs. It is a kiosk that rents DVD's similar to the Red Box movies that are rented.

Moved by Knight; Seconded by McDaniel.

RESOLVED: To confirm the Appointment of Eric Mendieta to the Planning Commission for a term ending July 31 2015.

Mr. McDaniel noted he has had professional dealings with Mr. Mendieta at the Chase Bank, and he is very professional and will be a great asset to the community; he also thanked Mr. Mendieta for his willingness to be active in the City.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.195

5b. Reappointment – Jess Soltess to the Brownfield Redevelopment Authority for a term ending December 31, 2014

THIS ITEM WAS REMOVED FROM THE AGENDA.

5c. Reappointment – Larry Douglas to the Brownfield Redevelopment Authority for a term ending December 31, 2015

Mayor McDonald welcomed Mr. Douglas and noted Mr. Douglas served on City Council in the past as both a Council Member and Mayor Pro Tem; and has since been on the Brownfield Redevelopment Authority.

Mr. Douglas noted he also sat on the board for the building of the golf course as well as the Chair of the Building Authority. Continuing, Mr. Douglas mentioned as an environmentalist, he created the Pollution Control Board that became the Environmental Review Board many years ago. Through those Boards there were many accomplishments, including keeping an incinerator from being constructed in the City; and being on Brownfield Authority is a continuation of those efforts.

Moved by Kittle; Seconded by Knight.

RESOLVED: To approve the appointment of Larry Douglas to the Brownfield Redevelopment Authority for a term ending December 31, 2015.

Responding to Ms. Doyle, Mr. Douglas stated he has been part of the Brownfield Redevelopment Authority since 1998; shortly after Public Act 381 became effective, the City established the Brownfield Redevelopment Authority. Ms. Doyle suggested because of Mr. Douglas' involvement with the City, and not everyone is familiar with his participation that he submit a resume that is compilation of his City history, that will be kept on file in the Clerk's Office.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.196

6. PUBLIC COMMENT

7. CONSENT AGENDA

All items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

7a. Board and Commission Minutes

7a.1. Tax Incentive Review Committee – November 12, 2012

7b. Motion – Approve Early Retirement and Separation Agreement and Release – J. Burmeister

RESOLVED: To approve the early retirement of Chief John Burmeister, including the Separation Agreement and Release, and authorize the City Manager to execute said Separation Agreement and Release on behalf of the City with a retirement effective December 31, 2012.

7c. *was removed from the Consent Agenda at the request of City Manager Auger.*

Moved by McDaniel; Seconded by Hammond.

RESOLVED: To approve Consent Agenda items 7a and 7b as submitted.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.197

8. OLD BUSINESS - none

9. NEW BUSINESS

9a. Public Hearing/Motion – Continental Structural Plastics – Request to establish a Plant Rehabilitation District (PRD) at 255 Rex Blvd. (industrial property)

Mr. Lohmeier introduced company representatives Phil Kusky, VP of Strategy, Jon Smith, CFO, and Garett Danovers, Project Consultant and noted this request and the following two are for Continental Structural Plastics: plant rehab, personal property and real property. Continental Structural Plastics purchased this property in October, after it had been sitting vacant for over two years. The property, which sits in an Industrial Development District, was purchased from Bank of America and the owner would like to establish a Plant Rehabilitation District.

It was confirmed for Ms. Doyle that this company is not associated with or part of the current Continental company that resides in the City.

Mayor McDonald opened the public hearing at 7:19 a.m.

Currently, Mr. Smith explained, Continental Structural Plastics is located in separate facilities in Troy. The company generates approximately \$375 million in sales, with seven plants in North America. The facility in Auburn Hills will be the administrative headquarters.

Responding to Mr. Knight, Mr. Smith noted the company will be relocating 100-110 employees from Troy to Auburn Hills. It is the intent to invest \$1 million a year, for the next three years, which will necessitate the need to hire more employees.

Mr. Kusky explained the company is becoming more global with joint ventures in Europe and China, and some people from the other companies may also be working in this facility. Continuing, he explained the company

makes composite parts for vehicles such as the body panels for Corvette, and they are becoming involved in electric vehicles. This will be a very high-tech facility.

This facility will have no production manufacturing, it will be research and development, as well as corporate staff. The outside sign will be Continental Structural Plastics World Headquarters.

Ms. Doyle noted her appreciation of rehabilitating a vacant building, but was curious why Auburn Hills was chosen and how many years the company was located in Troy.

Mr. Smith stated he has only been with the company for one year, but the purpose of relocating was to have both facilities combined under one roof. Mr. Kusky noted he looked at buildings in Troy, Auburn Hills, Madison Heights and those surrounding communities as well to the west in Farmington Hills. This location offered the best layout to meet their needs and is very close to Chrysler, one of their biggest customers. Being close to I-75 was another feature, which will allow the company sign to be seen by many. Working with the City staff was also a factor, the ease of working through the process. Mr. Kusky also noted, many of the company's employees live in close proximity to this location.

Ms. Doyle asked if there were any pending tax appeals by the company for the Troy location.

Mr. Smith stated no, they have no tax appeals in Troy, nor did they own the building; however, this Auburn Hills building they have purchased.

Mayor McDonald closed the public hearing at 7:28 p.m.

Moved by Knight; Seconded by Hammond.

RESOLVED: To approve the request to establish a Plant Rehabilitation District for Continental Structural Plastics, Inc. by adopting the attached resolution (Attachment A).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.198

9b. Public Hearing/Motion – Continental Structural Plastics – Request for IFEC Rehabilitation Exemption Certificate at 255 Rex Blvd. (industrial property)

Mr. Lohmeier explained former City Assessor Bennett had recognized obsolescence in this property when doing the 2012 assessment. When he visited site he noticed more functional obsolescence and deferred maintenance issues when reviewing the list of rehabilitation items Continental Structural Plastics intends on making. This will involve real property restoration work including a new roof, HVAC, Mechanical, Electrical, and Plumbing, doors, flooring, and various other items as identified on its rehabilitation listing.

The total project investment is \$1,577,500 and the company is seeking an eight-year abatement starting December 31, 2013.

Mr. Knight stated because this is a rehabilitation, the taxes will be paid on the original value of the building and they will be forgiven all the taxes on this improvement because it is an investment in making the building useable.

The last taxable value for the property is \$803,945, and the new investment is 100% exempt for the length of the certificate.

It was confirmed for Ms. Hammond, the 110 jobs are the jobs being transferred from Troy.

Mr. Kersky noted within the next year there may be an additional 20 engineering jobs.

Ms. Hammond was curious if there had been any consideration of moving toward LEED certification with the renovations that are planned.

Mr. Smith stated if it makes economic sense for the company, the renovation and replacement of mechanicals may be *greener*; the company is conscience of always working on recyclability of their own products.

Mayor McDonald opened the public hearing at 7:32 p.m.

Mr. Lohmeier agreed with Ms. Doyle that the value was much higher five-years ago, and the value has consistently decreased over the last few years. This property was purchased for current market value, given the condition of the building.

Mayor McDonald closed the public hearing at 7:34 p.m.

Moved by Doyle; Seconded by Knight.

RESOLVED: To approve the request for an 8-year IFEC pertaining to Rehabilitation for Continental Structural Plastics, Inc. for a total real property investment of \$1,577,500 by adopting the attached resolution (Attachment B).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.199

9c Public Hearing/Motion – Continental Structural Plastics – Request for IFEC NEW Personal Property at 255 Rex Blvd. (industrial property)

Mr. Lohmeier noted this request is for an abatement for a personal property investment of \$662,000, including not only furniture but a bridge crane, renovation for a press pit, and additional cubicles. This request is also for eight years beginning December 31, 2013.

Mr. Lohmeier confirmed for Mr. Knight, this 50% abatement is for the personal property investment.

Mayor McDonald opened and closed the public hearing at 7:35 p.m., hearing no comment.

Moved by Hammond; Seconded by Knight.

RESOLVED: To approve the request for an 8-year IFEC pertaining to new personal property for Continental Structural Plastics, Inc. for a total personal property investment of \$662,000 by adopting the attached resolution (Attachment C).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.200

9d. Motion – Approve Liquor License for AMC Theatres – Great Lakes 25

Director Olko explained the request is to add alcohol service to the theatre; this is a Class C liquor license that is being transferred from outside the City.

Scott Edwards, representing the AMC Theatres explained the small five-seat bar is planned to take the place of the candy store, which is just inside the mall entrance. There will only be one point of sale; from the bar the beverage can be taken into any one of the theatres. There currently is two other AMC movie theatres in the State with a liquor license. Only one beverage, per person, at any one time is served; this bar is not designed for anybody to spend any length of time in.

Mayor McDonald asked what the hours of operation would be, movie theatre times or bar time.

Mr. Edwards explained alcohol sales would cease one-half hour prior to the end of the last movie; this bar is designed to coincide with the theatre, not as a separate bar. Mr. Edwards also noted the glasses in which alcohol is served is different from the other beverages and glow somewhat in the dark making it easier to identify.

Director Olko explained after working with the theatre management, she believes the situation is manageable.

Responding to Ms. Doyle, Mr. Edwards explained no intoxicated person will be served; and yes, the patron may have more than one drink, but may only buy one at a time. Also, when serving any individual there is a notation in the system that a drink has already been purchased by that individual so there is some control on the amount of alcohol consumed. The beer, wine or liquor drinks are all typical bar size drinks; no over-sized drinks.

Mr. Edwards noted the Class C license does not allow liquor to be taken outside of the theatres. The number of liquor licenses a community receives from the State is a based on the census and can be given to establishments at no cost; however, businesses may transfer licenses from other businesses and there generally isn't a limit to the number a city may have.

Ms. Hammond is concerned with the legal aged adult supplying the younger patron with alcohol.

Mr. Edward explained the employees are trained to keep a watchful eye for such a situation and monitor as best as they can. It will be an employees' responsibility to make sure those that are drinking are 21 years old, including ushers in the theatre, because ignoring an underage drinker will cost them their job. The theatre has a zero tolerance policy for under aged drinking.

Mr. Kittle asked if there are any testimonials from the other theatres either in the state or country as to how serving alcohol has impacted the theatres.

Director Olko explained the Department has spoke with Livonia and Sterling Heights police departments where the theatres are located and there has been no difficulty with the alcohol.

Regarding the problems in the past at the theatre, Director Olko explained since the 'escort policy' has been in effect, the problems have decreased significantly, to almost non-existent. During the Black Friday shopping, everyone was put on alert that the curfew policy would be strictly enforced and there were no situations at all either at the shopping mall or the theatres.

Responding to Mr. Kittle, Director Olko explained the investigation of considering a liquor license does not include the effects of other businesses in the area.

Mr. McDaniel noted if underage drinkers want to drink alcohol, it won't be because the theatre is selling it, but it may deter some patrons from sneaking alcohol into the theatre. Also he didn't believe it is Council's position to determine legal competition among business.

Ms. Hammond's concern is the Council has no control once the license has been issued, particularly if there have been violations.

Mr. Edwards noted there has been one violation among the 35 AMC Theatres that currently have liquor licenses; nationally theatres have been selling liquor for 10 years and here in Michigan for the last year or so.

Mr. Knight questioned if there are violations that theatre staff has recognized, if the incident taken care of internally or is the local police department involved.

Mr. Edwards explained the violator is questioned extensively by staff to determine where and how the alcohol was purchased; generally the violator does not want police intervention and answers the questions and leaves the facility with no problem.

Director Olko believes there may be times when police involvement will be necessary; however, there is also mall security that can take action if necessary.

Ms. Doyle noted the motion includes adding a new Entertainment Permit, a new Sunday Sales Permit and a new Extension of Hours Permit and asked for an explanation.

Mr. Edwards explained the Sunday Sales permit is for before noon sales on Sundays and the new Extension of Hours is needed to sell food before noon if you also hold a liquor license. Mr. Edwards further explained if the liquor license is approved, but without the permit, the theatre would not be able to open on Sundays for showing movies or selling popcorn.

Director Olko confirmed for Mr. McDaniel that the policies AMC is proposing are stricter than most other establishments in the City that sell alcohol.

Moved by McDaniel; Seconded by Doyle.

RESOLVED: To adopt the resolution approving a request from American Multi-Cinema, Inc (d/b/a AMC Theatres Great Lakes 25) to transfer ownership of an escrowed Class C license with a Sunday Sales Permit (pm) from TM Foods LLC and add a new Entertainment Permit, a new Sunday Sales Permit (am) and new Extension of Hours Permit (entertainment) and to authorize the City Clerk to forward the resolution to the Michigan Liquor Control Commission.

VOTE: Yes: Doyle, Hammond, Knight, McDaniel, McDonald

No: Kittle

Motion carried (5-1)

RESOLUTION NO. 12.12.201

9e. Motion – Approve 2013 Insurance Program Renewal

Mr. Barnes noted the total annual premium quotation for the 2013 is \$347,901 which is \$13,420 or 4.0% higher than 2012. The premium increase is largely due to the property values increasing by 5.2%. The property value change includes an inflation adjustment to ensure that in the event of a loss, coverage will be sufficient to provide for replacement cost. The premium quote of \$347,901 is higher than 2012, it is still 10% lower than the premiums from 2009 and 2010.

Beginning with the 2008 fiscal year, Michigan Township Participating Plan's (MTPP) insurance premium quotation included what has become a rolling three year rate cap. The 2013 bid from MTPP continues the three year rate cap (2013-2015) which limits premium increases by holding the "rate" constant; however, the total premium can be increased due to changes in the insured property values or as a result of severe adverse claim experience that is aberrant from prior years.

James Huttenlocher of Huttenlocher Insurance Group explained insurance rates rise in a down economy, because companies submit more claims than normal and employees file more worker comp claims. There is also the weather related events, such as Superstorm Sandy; the total expense of that storm has yet to be determined, but will have a big impact on insurance companies for many years to come.

The City has done very well in keeping the losses are under control and implementing loss control and safety recommendations.

Continuing, Mr. Huttenlocher noted the MTPP is a significant employer in Auburn Hills and represents 1,300 clients in the State.

Mr. Huttenlocher explained this new rate is also a three-year rate guarantee providing the City continues to have a favorable loss history.

Mr. Kittle asked how many companies were contacted for competitive bids.

Mr. Huttenlocher explained there are no plans available that offer what the current plan does, so no other bids were sought. Continuing, Mr. Huttenlocher noted there are only three or four other companies that offer the same type of services as the MTPP in the State.

Mr. Huttenlocher stated it was three years ago bids were last requested. He also noted his company has been working with the City from the beginning.

Mr. Kittle suggested this be included on the list to review extended contracts.

Moved by Knight; Seconded by Doyle.

RESOLVED: To approve the 2013 policy renewal for Liability and Property Insurance with MTPP in accordance with the specifications contained in the Coverage Summary in the amount of \$347,901, and authorize Mr. Huttenlocher to convey acceptance on behalf of the City and for the City Manager to sign the necessary documents related to binding coverage.

VOTE: Yes: Doyle, Hammond, Knight, McDaniel, McDonald

No: Kittle

Motion carried (5-1)

RESOLUTION NO. 12.12.202

7c. Motion – Approve Resolution Winter Maintenance Between Auburn Hills and Road Commission for Oakland County

Mr. Auger noted the cover memo explains the proposal very well, in that, the City will maintain South Boulevard and Adams Road for winter maintenance and will be reimbursed by Oakland County. Mr. Auger requested Council to take note of Exhibit B, page 2, paragraph D, the insurance clause can be removed; the City is already covered.

Ms. Doyle questioned if Oakland University has ever asked the City for snow removal or if there was a private contractor doing the snow removal.

Mr. Auger, nor Mr. Melchert knew who does the snow removal; however, the City has never been approached with such a request.

Moved by McDaniel; Seconded by Knight.

RESOLVED: To approve the City Manager, as Street Administrator, to accept on behalf of the City of Auburn Hills, the 2012-2013 Winter Maintenance Agreement, for the snow removal and ice control operations of South Boulevard, between Opdyke Road and Adams Road, and Adams Road, between South Boulevard and north of Auburn Road up to Forester Road for an annual compensation of \$15,291.05.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald

No: None

Motion carried (6-0)

RESOLUTION NO. 12.12.203

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. McDaniel:

- Asked Mr. Auger to briefly explain the situation with the leaf burning complaints and fire trucks.

Ms. Hammond:

- Noted she and Mayor McDonald attended the Holiday Extravaganza Parade in Pontiac.
- Reminded everyone the tree lighting is Friday, at 6:00 p.m. downtown.

Ms. Doyle:

- Mentioned she attended a portion of the Town Hall Meeting held at Rochester High School regarding the legislative bills concerning education in Michigan. The Avondale School Superintendent, as well as the Oakland Schools Superintendent spoke to a full house. Oakland Schools Superintendent Markavitch stated *not only are these bills being proposed radical*, she called them dangerous; deep, deep concern by the school superintendents of what may happen. The Oakland Schools website has information regarding the proposed bills, for those interested and is asking citizens to raise their voices now, to question the rush of passing these bills through without understanding everything involved. The push seems to be to privatize education.

Mr. Knight:

- Noted he read an article of a San Diego man who drove his Neon Leaf from San Diego to Seattle using only battery power; able to find charging stations along the way. With Auburn Hills being a leader in the charging stations, it might be wise to erect signs along I-75 and M-59 noting Ecology Leadership, with arrows indicating the direction of where electric charging facilities can be found.

Mayor McDonald:

- Requested, since Mr. Auger will be in Lansing, that he reinforce the concerns of all communities of the personal property tax, and Public Act 34 proposals.

11. CITY ATTORNEY'S REPORT – none

12. CITY MANAGER'S REPORT

- Besides the education bill that is being pushed through the Lame Duck Session, is Public Act 54, exempting fire and police from the results that once the end of a contract is reached, the City is not

allowed to incur any increases in benefit payments. The employee is not allowed to incur time off or step increases until a contract is settled. There isn't a need to change what has been working and making quick progress in settling a contract.

Regarding the personal property tax, he will be testifying on numerous questions which lack all the necessary information. The makeup of the legislature has remained the same so it is difficult to understand the need to force the issue through a lame duck session.

- Regarding the burning runs and sending the large fire engines, Director Olko investigated and it isn't an efficient use of the trucks; it has always been done that way. Protocol has changed, not only will dispatch be sending patrol cars that are in the area to complaints, but one fire personnel with their equipment will be sent in the smaller vehicle, a Durango. In the event there is a fire call, that personnel can then use the Durango and meet the engine at its destination.
- Distributed the Fieldstone Executive Summary to Council as requested, prior to letting the bid. The request will be reviewed by the City Attorney, so forward any changes or suggestions as soon as possible.

13. ADJOURNMENT

Meeting adjourned at 8:35 p.m.

James D. McDonald, Mayor

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION 12.12.198
ESTABLISHING A PLANT REHABILITATION DISTRICT
FOR CONTINENTAL STRUCTURAL PLASTICS**

At a meeting of the City Council held on the **3rd day of December, 2012** at the City Council Chambers at 1827 N. Squirrel Rd., Auburn Hills MI 48326

It was moved by Council Member Knight and supported by Council Member Hammond.

WHEREAS, Act 198 of the Public Acts of 1974, as amended, authorizes the City Council of Auburn Hills to establish a "Plant Rehabilitation District"; and

WHEREAS, restoration of a proposed facility within the district has not commenced as of this date; and

WHEREAS, It has been determined that property comprising not less than 50 percent of the state equalized valuation of property within the proposed Plant Rehabilitation District is obsolete; and

WHEREAS, the City Council of the City of Auburn Hills, has given written notice by certified mail to the owners of real property within the proposed Plant Rehabilitation District and to the public by newspaper advertisement in the Oakland Press, and public posting of the hearing on the establishment of the proposed district; and

WHEREAS, a public hearing was held on **December 3, 2012** at which all of the owners of real property within the proposed Plant Rehabilitation District and all residents and taxpayers of Auburn Hills were afforded an opportunity to be heard,

NOW, THEREFORE, BE IT RESOLVED by the City Council of Auburn Hills that the following described parcel of land situated in the City of Auburn Hills, County of Oakland, State of Michigan, to wit:

T3N, R10E, SEC 26 PART OF SE 1/4 BEG AT PT DIST S 00-22-20 W 497 FT & N 89-37-40 W 611.50 FT & N 72-21-47 W 17.14 FT FROM NW COR OF 'SUPERVISOR'S PLAT NO. 4', TH S 02-00-11 W 365.71 FT, TH N 75-41-27 W 600 FT, TH N 02-00-11 E 333.61 FT, TH N 18-43-48 E 65.75 FT, TH S 72-21-47 E 589.09 FT TO BEG 5.15 A7-19-99 FR 005

Parcel Identification No. 02-14-26-451-008

be and here is established as a Plant Rehabilitation District pursuant to the provisions of Act 198 of the Public Acts of 1974 to be known as **Continental Structural Plastics Plant Rehabilitation District.**

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel

NAYS: None

ABSENT: Verbeke

ABSTENTIONS: None

RESOLUTION 12.12.198 ADOPTED (6-0)

STATE OF MICHIGAN)

) SS

COUNTY OF OAKLAND)

I, the undersigned, the duly qualified and appointed City Clerk of the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the **3rd day of December, 2012**, the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 4th day of December, 2012.

Terri Kowal, City Clerk

CITY OF AUBURN HILLS

RESOLUTION 12.12.199

APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

FOR CONTINENTAL STRUCTURAL PLASTICS, INC

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **3rd Day of December, 2012.**

The following resolution was offered by Councilperson Doyle and supported by Councilperson Knight.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the , **3rd Day of December, 2012** the City Council of Auburn Hills established a Plant Rehabilitation District, commonly referred to as the **Continental Structural Plastics** Plant Rehabilitation District; and

WHEREAS, **Continental Structural Plastics, Inc.** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to a proposed **rehabilitation facility** within the **Continental Structural Plastics** Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on **3rd Day of December, 2012**, at a regularly scheduled meeting, at which time the applicant, the Assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, rehabilitation of the facility had not begun earlier than six (6) months before **October 5, 2012**, the date of the acceptance of the application for the Industrial Facility; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5%** of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force, under Act No. 198 of the Public Acts of 1974, **shall not** have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.

2. The application for an Industrial Facilities Exemption Certificate with respect to a rehabilitation facility on the following described parcel of real property situation within the **Continental Structural Plastics** Plant Rehabilitation District to wit:

Legally described as:

T3N, R10E, SEC 26 PART OF SE 1/4 BEG AT PT DIST S 00-22-20 W 497 FT & N 89-37-40 W 611.50 FT & N 72-21-47 W 17.14 FT FROM NW COR OF 'SUPERVISOR'S PLAT NO. 4', TH S 02-00-11 W 365.71 FT, TH N 75-41-27 W 600 FT, TH N 02-00-11 E 333.61 FT, TH N 18-43-48 E 65.75 FT, TH S 72-21-47 E 589.09 FT TO BEG 5.15 A7-19-99 FR 005

The real property is also identified as 02-14-26-451-008, having an address of 255 Rex Blvd., Auburn Hills, MI 48326

is hereby approved.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 8 years, and the starting date for the certificate is December 31, 2013 and the ending date is December 30, 2021.

4. The project cost approved is **\$1,577,500,000** for real property only.

5. **Continental Structural Plastics, Inc** agrees to continue operation of the facility for the full term of the certificate and for an additional two years after expiration of the certificate.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel

NAYS: None

ABSENT: Verbeke

ABSTENTIONS: None

RESOLUTION 12.12.199 ADOPTED (6-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **3rd Day of December, 2012.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this **4th Day of December, 2012.**

Terri Kowal, City Clerk

CITY OF AUBURN HILLS
RESOLUTION 12.12.200
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR CONTINENTAL STRUCTURAL PLASTICS, INC.

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **3rd day of December, 2012**.

The following resolution was offered by Councilperson Hammond and supported by Councilperson Knight.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **18th day of November, 1985**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Cunningham-Limp Company Industrial Development District**; and

WHEREAS, **Continental Structural Plastics, Inc.** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed **personal property** to be acquired and installed within the **Cunningham-Limp Company Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **3rd day of December, 2012** at a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction and installation of the facility has not begun earlier than six (6) months before **October 5, 2012**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the **reasonable likelihood to retain, create or prevent the loss of employment** in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5% of an amount equal** to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974, and PA 225 of 1978, shall not have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.

2. The application for an Industrial Facilities Exemption Certificate with respect to a **New Facility** on the following described parcel of real property situated within the **Cunningham-Limp Company Industrial Development District**; to wit;

Legal Description

T3N, R10E, SEC 26 PART OF SE 1/4 BEG AT PT DIST S 00-22-20 W 497 FT & N 89-37-40 W 611.50 FT & N 72-21-47 W 17.14 FT FROM NW COR OF 'SUPERVISOR'S PLAT NO. 4', TH S 02-00-11 W 365.71 FT, TH N 75-41-27 W 600 FT, TH N 02-00-11 E 333.61 FT, TH N 18-43-48 E 65.75 FT, TH S 72-21-47 E 589.09 FT TO BEG 5.15 A7-19-99 FR 005

This real property parcel is also identified as 02-14-26-451-008, having an address of 255 Rex Blvd., Auburn Hills, MI 48326

is hereby approved for **Personal Property** improvements only.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of **eight (8) years**, and the starting date for the certificate is **December 31, 2013** and the ending date is **December 30, 2021**.

4. The total project investment approved is **\$662,000**.

5. **Continental Structural Plastics, Inc.** agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional **two years** after the date of the expiration.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel

NAYS: None

ABSENT: Verbeke

ABSTENTIONS: None

RESOLUTION 12.12.200 ADOPTED (6-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **3rd day of December, 2012**.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 4th day of **December, 2012**.

Terri Kowal, City Clerk